NASA Administrator
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Minority Business & Advocates Awards Ceremony
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I'd like to begin today by talking about Rip Van Winkle.

I know it's dangerous to start a speech by talking about someone who's best known for sleeping. Especially so soon after lunch.

But I'm feeling bold.

We all know that Rip Van Winkle slept for 20 years.

But, in light of the awards we celebrate today, I'd like to recall what Dr. Martin Luther King, Jr. used to say about that story. After all, I can't think of anyone who knew more about our need to come together. I can't think of anyone who understood more the value that each and every individual adds to this society . . . no matter what they look like or where they come from. And I can't think of anyone who spoke with more conviction or more eloquence than Dr. King did about our nation's incredible -- I mean, incredible -- potential . . . how we could, in a way, discover new worlds if we just break down old barriers.

Dr. King reminded us that when Rip Van Winkle went up into the woods for his little nap, he passed a sign with a picture of George III, King Of England.

When he finally woke up, came down from the woods, the sign had changed -- instead of George III, it was a picture of George Washington, President of the United States.

Dr. King liked to point out that Rip did not just sleep for 20 years. He slept through an entire revolution.

Well, we're going through a revolution, too.

We're going through a revolution throughout the world in technological and scientific advancement.

And we're going through a revolution right here at NASA -- where, to keep up. . . . but more often to set the pace . . . we must do everything "faster, better, cheaper."

It is a revolution about, perhaps more than anything else, excellence.

And the fact is -- if your goal is excellence -- and ours is . . . you must bring in the most talented, the most innovative, the most dedicated companies and employees.

That's how you move forward. That's how you grow.

Now, you can measure growth several ways.

People can look at our budget . . . or at our personnel numbers . . . it sure as heck doesn't look like growth.

But I'm proud -- because at NASA we do more with less. We're a better space program than we used to be.

We've grown . . . and that growth has as much to do with increased utilization of small, minority and women-owned businesses as it does with anything else.

The work we do carries with it extreme risk. The spacecraft we build are complex, sophisticated systems. The lives of our astronauts depend on excellence . . . of NASA personnel and our contractors.

So it would be dangerous -- in fact, irresponsible -- for us to limit the drawing of that talent from businesses owned by one kind of race. One gender. When it comes to space exploration, one size doesn't always fit all.

I can't think of a better example than the recent Mars Pathfinder mission.

It was the first soft-landing mission to Mars since 1976, when NASA landed two Viking spacecraft on the planet. That Viking mission cost us $ 3 billion in today's dollars.

The Mars Pathfinder? Completed for $150 million. Just a three year turnaround from approval to launch.

What a success!

And here's why -- the talent pool we drew from.

A small African-American owned company -- Falcon Design Services -- designed mechanical and electrical components for the six-wheeled robotic rover . . . named "Sojourner."

The same business along with another small

business, also helped design the Attitude and Information Management (AIM) subsystem. That's the avionics, or the "brains" of the Pathfinder.

A non-minority woman-owned business -- Mid-Com Corporation -- helped develop flight software.

A small Asian owned firm -- Pioneer Circuits -- provided the flex cables for Sojourner and delivered their products on time . . . even though the procurement was identified late and contained specification error.

A small Hispanic owned business -- BST Systems -- designed and manufactured batteries for the power subsystem that allowed the rover to move into action. The batteries were produced for a system that had to withstand extreme temperatures . . . and the batteries were still working well after the date that the contract called for.

I'm extremely proud to report that all of the spacecraft subsystems included products made by small disadvantaged businesses . . . and all of them . . . all of them . . . were delivered on time and within budget.

And the academic community helped, too. Historically Black Colleges and Universities (HBCU's) and other minority educational institutions, like Central State University in Ohio . . . University of Southern Colorado . . . and the University of Hawaii . . . all provided the education and outreach portion of the Pathfinder mission.

I singled out the Mars Pathfinder mission . . . but the fact is, SDB's have performed just as well in our other programs.

Each year we give out what we call the "George M. Low Awards."

The awards -- named after a former administrator -- are presented to current NASA contractors, subcontractors and suppliers who demonstrate sustained excellence and outstanding achievements in quality and productivity.

In 1997, 3 of the 4 were presented to small businesses -- one to a small minority-owned firm, Scientific Commercial Systems Corporation. Another to a woman-owned business, Hummer Associates.

And on the International Space Station . . . in 1992, one percent of space station dollars were contracted out to SDB. In 1996 that number jumped

to 12 percent . . . totaling more than $200 million for that year alone.

We're not where we ought to be, but we're not where we used to be either. And we're better for it. We're better for it because we're not just doing it for the sake of saying we did it.

Governments . . . universities . . . businesses . . . they should look like America for one reason and one reason only . . . it makes America better. The wider you cast the net, the more historically underutilized talent you're going to bring in.

Just look at NASA.

We're trying to develop the minds of our infrastructure -- so we don't sleep through the revolution. We've offered an all day course -- at 8 centers already -- so agency personnel learn the value added benefits of using SDB's absent laws and regulations.

Through our mentor-protégé program, only two years old, we've awarded nearly $50 million in subcontracts, including options, to SDB's. And I'm talking about the most high-tech contracts there are.

Through our Quarterly Aeronautics SDB forum, we've awarded more than $70 million to SDB's in contracts and subcontracts. This program has been so successful, we're expanding it to our science-oriented centers and all small businesses.

Our SDB training program has now trained over 600 SDB owners and executives. We're going to expand that also , to include all small businesses.

We have tripled the contract and subcontract dollars going to small women-owned businesses in the last five years -- going from $150 million in fy 1991 to almost $450 million in fy 1996.

We subcontract a higher percentage of our total contract dollars to small women-owned firms than any other federal agency.

All told, we've awarded 13.1 percent of our contract dollars to SDB's in 1996 . . . more than one and a half billion dollars . We've awarded more contract and subcontract dollars to SDB's than any other civilian agency.

That's how we're growing. That's how we're committed to excellence. That's why we're a better space program than we used to be.

But the battle is not over. Not in America. Not at NASA.

Acquisition reform, consolidated contracts, mergers of large contractors and legal attacks are all challenges that will make the job ahead of us much harder in the coming years.

And we are dealing with all of those challenges; as contracts are consolidated, and SDB's lose opportunities to perform prime contracts with NASA, we increase the SDB subcontracting goals.

Many times this ends up providing more dollars for SDB's than they had when the contracts were broken up.

I'll give you some examples: in our space flight operations contract consolidation at the Johnson Space Center, we have bundled dozens of contracts into one, giving it an annual contract value of $7.2 billion over the next six years.

We have an 18 percent subcontracting goal for small businesses under that contract -- of which 8 percent is for SDB's and women.

This will amount to more than twice the dollars they were getting under space shuttle-related contracts when they were broken up.

Now although the goals will vary according to the work effort and the types of subcontracting opportunities available, this is basically the strategy that we will use in all of our consolidated contract efforts.

Now, that's not to say that SDB's can no longer win prime contracts at NASA. Far from it.

In fact, SDB prime contracts have continued to rise each year since fy 1992 -- even in the midst of an increase in consolidations.

And whenever it's the right thing to do . . . we will even prime some of our consolidated contracts to SDB's.

As for the court cases, the SBA regulation changes and the Department of Justice proposals, we are dealing with all of those issues as they arise. We have initiatives in place to make sure that we are maximizing SDB utilization, while at the same time following the rules, whatever they may be at any given moment .

But, take heart, because even as things get harder, we intend to continue to do better.

Our mission and our vision depend on it.

Our primary motive in maximizing our use of small, minority and women contractors is not to meet a goal, or to redress past and present social inequities or even to satisfy certain federal statutes.

Our space program is so challenging, so demanding and at times, so risky . . . that we are going to need all of the productive capacity and productive potential that this nation has to offer.

The only discriminating factors are excellence and inclusion. Because if you want to discover new worlds . . . you have to break down old barriers.

That is a fact that I don't think any law can touch; it is a goal that no court decision can impact on -- that no public opinion can dare challenge.

As long as you continue to perform, we will continue putting together the best minds we have to develop innovative ways to include you in our programs and missions.

We won't sleep through the revolution. We'll keep growing. We'll always be committed to excellence.

It won't be just for your businesses futures, though; it will be for the future of NASA and of America.

Thank you very much.